# Alaska Telephone Association

Ed Cushing President 201 E. 56<sup>th</sup> Avenue, Suite 114 Anchorage, AK 99518 (907) 563-4000 www.alaskatel.org Christine O'Connor Executive Director

October 1, 2015

Ms. Marlene Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Room TW-A325 Washington, DC 20554

RE: Ex parte filing in WC Docket No. 10-90

Dear Ms. Dortch:

On September 28<sup>th</sup> – 30<sup>th</sup> the undersigned, joined by some or all of the following ATA members: Ed Cushing from Ketchikan Public Utilities in Ketchikan, AK, Dave Dengel from Copper Valley Telephone Cooperative in Valdez, AK, Michael Burke from Matanuska Telephone Association in Palmer, AK, Doug Neal from OTZ Telephone Cooperative in Kotzebue, AK, Steve Merriam from Arctic Slope Telephone Association Cooperative in Anchorage, AK, Chris Nierman from GCI in Anchorage, AK, John Nakahata, Counsel for GCI, and Jeff Smith and David Cohen from GVNW Consulting, Inc. met with Stephanie Weiner, Legal Advisor to Chairman Tom Wheeler, Amy Bender, Legal Advisor to Commissioner Michael O'Rielly, Travis Litman, Legal Advisor to Commissioner Ajit Pai, Rebekah Goodheart, Legal Advisor to Commissioner Mignon Clyburn and Suzanne Yellen and Alex Minard from the Wireline Competition Bureau to discuss the Consensus Alaska Plan.

At the meeting we reviewed the Alaska Plan which is the best solution for distributing high cost support in Alaska over the next ten years. We provided maps demonstrating the development of middle mile facilities in Alaska and said it is crucial to adopt the Alaska Plan to enable providers to take advantage of developing middle mile facilities to deliver broadband to end users. The Alaska Plan does not seek or envision additional high cost support specifically for middle mile during its ten year term. Alaska Plan participants are currently analyzing how to minimize the impact of the Alaska Plan on USF reserves and we discussed the appropriate level of support for Alaska.

The Alaska Plan was developed to meet Chairman Wheeler's challenge to Alaska's providers to provide a plan to distribute universal service support in Alaska. We stressed the importance of approval and implementation of the Alaska Consensus Plan at the earliest date possible, but in no event later than reforms adopted for the contiguous United States.

## Alaska Telephone Association Ex Parte Notice

Pursuant to Section 1.1206 of the Commission's rules, this ex parte letter is being filed via ECFS in WC Docket 10-90.

Respectfully submitted,

Via ECFS 10/1/15

Christine O'Connor Executive Director

## Cc:

Stephanie Weiner Amy Bender Travis Litman Nicholas Degani Rebekah Goodheart Suzanne Yellen Alex Minard

Ed Cushing
Dave Dengel
Michael Burke
Doug Neal
Steve Merriam
John Nakahata
Chris Nierman
Jeff Smith
David Cohen

# Alaska Telephone Association

Michael Garrett President 201 E. 56<sup>th</sup> Avenue, Suite 114 Anchorage, AK 99518 (907) 563-4000 www.alaskatel.org

Christine O'Connor Executive Director

#### **CONSENSUS ALASKA PLAN**

Alaska Telephone Association member companies serve some of the most challenging and remote areas of the country<sup>1</sup>. We have demonstrated capability to deliver crucial connections to our communities. We must have stable universal service support to maintain, extend and upgrade existing broadband infrastructure and construct broadband networks in unserved or underserved markets in Alaska.

ATA proposes universal service fund support be stabilized by implementing a 10-year freeze for Alaskan carriers. The freeze implemented for wireless carriers in 2012 has been successful in maintaining and extending wireless service to unserved areas. The freeze offered to Alaska Communications will enable service to be maintained, upgraded and extended. A similar freeze for Alaska's ILECs will allow the same positive result of upgraded broadband service and newly served Alaskans.

#### WIRELINE

#### Freeze Support for Alaska ILECs

We propose Alaskan ILECs receive frozen support for a 10-year period. Frozen funding will create stability which will assure continued service in remote Alaska and allow deployment to underserved and unserved areas.

Support for each carrier will be frozen at final 2011 levels for high cost loop support (HCLS) and interstate common loop support (ICLS).

#### **Performance Obligation**

Carriers receiving frozen support will meet specific performance obligations during the 10-year period. Each Alaskan ILEC will work with the Bureau to define performance requirements sufficient to demonstrate that support is being used to advance voice and broadband service in Alaska. Performance obligations will reflect operations, upgrades and new deployment enabled by frozen support. Carriers will customize their commitments according to their individual situations regarding access to middle mile, location, and other factors which affect cost and service levels. The price cap carrier's performance obligations will be determined in the CAF II proceeding currently underway. We support flexibility in determining both rate of return and price cap carrier obligations, recognizing the unique challenges and conditions in Alaska.

Frozen support will be used for both network-wide operating expenses and capital expenses. Support will be used for data-only broadband lines as well as those used for voice.

<sup>&</sup>lt;sup>1</sup> ATA member companies include: Adak Telephone Utility, Alaska Communications, Alaska Telephone Company, Arctic Slope Telephone Association Cooperative, Bristol Bay Telephone Cooperative, Bush-Tell, Copper Valley Telecom, Cordova Telephone Cooperative, GCI Communications Corp., Interior Telephone/Mukluk Telephone dba TelAlaska, City of Ketchikan, dba Ketchikan Public Utilities, Matanuska Telephone Association, Nushagak Cooperative, OTZ Telephone Cooperative, Summit Telephone Company, United Utilities, and Yukon Telephone Company.

Carriers will continue to submit all required ETC reports and meet existing reporting and compliance obligations.

The Commission will re-evaluate broadband deployment and universal service funding in Alaska in 2025 to consider extending the frozen support period or implementing an alternative support mechanism for wireline service.

#### **WIRELESS**

Freeze Wireless Support for All Alaska Wireless Carriers.

#### **Stable Support**

We support the FCC's proposal to freeze wireless CETC support as of December 31, 2014 for carriers serving Remote Alaska<sup>2</sup>, and propose that funding be frozen for a period of 10 years. Frozen funding will sustain the stability which has been provided under the initial CETC freeze, assure continued wireless service in remote Alaska, and allow deployment to areas which have no wireless service today.

We propose all Remote Alaska CETC support be frozen on a company basis at final 2014 levels for a period of 10 years<sup>3</sup>. All Remote Alaska CETC wireline support will immediately be used only for mobile voice and broadband service. As non-Remote Alaska CETC funding phases down, that support will be retargeted to Remote areas without any wireless service via an FCC reverse auction of up to \$27 million per year—the current amount of annual non-Remote Alaska CETC support.

Alaska CETCs will receive frozen support in lieu of Mobility Fund Phase II and Tribal Mobility Fund Phase II funds.

### **Performance Obligation**

Wireless carriers receiving frozen support will use that support to provide mobile voice and broadband services in areas not receiving 4G LTE service directly from AT&T or Verizon as of 12/31/2014. Areas served by rural partners of Verizon or AT&T who are providing service using the rural company's infrastructure will not be considered served by AT&T or Verizon.

Each Remote Alaska CETC will work with the Bureau to define specific performance requirements sufficient to demonstrate that support is being used to provide mobile voice and broadband services in areas that are not receiving 4G LTE service from AT&T or Verizon as of December 31, 2014.

Carriers will continue to submit all applicable ETC and Mobility Fund reports and meet existing reporting and compliance obligations, including submittal of 5-year plans.

<sup>&</sup>lt;sup>2</sup> See Connect America Fund, et al., Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 14-54, WC Docket No. 10-90, et al., ¶ 250 (rel. June 10, 2014).

<sup>&</sup>lt;sup>3</sup> This provision will not apply to AT&T Mobility aka Dobson Cellular Systems CETC phase-down trajectory which will continue as set in previous Commission Orders.

### **Transition to Mobility Support Mechanism**

At the conclusion of the transition period, the Commission will determine the most appropriate successor mechanism for Alaska areas not receiving LTE service from AT&T or Verizon.

#### SUMMARY

Implementing frozen support for a term of 10 years will grant necessary stability to allow Alaska's carriers to continue extending advanced telecommunications services to Alaskans. Stable, predictable support is essential to enable our carriers to operate, extend and upgrade existing broadband networks and operate and deploy wireless service in remote Alaska.

	ea Weaver, Chief Operations Officer Eagle Enterprises	Date:	1/28/15
Mich Alask Bettl	meker Lewett  ael Garrett, Chief Operating Officer  ta Telephone Company  es Telephone, Inc.  th Country Telephone, Inc.	Date:	1/28/15
Signed:	men Merriam, Chief Executive Officer c Slope Telephone Association Cooperative	Date:	2/3/2015
	A. Hoppe, General Manager ol Bay Telephone Cooperative	Date:	1/28/2015
	ouglas DeVore, VP/Assistant General Manager	Date:	01-28-2015
	Denge, Chief Executive Officer per Valley Telephone Cooperative	Date:	
	Kelly, Chief Executive Officer/General Manager ova Telephone Cooperative	Date:	1-28-15

Signed:	Tina Pidgeon, General Counsel, Chief Compliance Office Governmental Affairs General Communication, Inc.	Date: _ er, and So	enior Vice President,
Signed:	David Goggins, President/General Manager	Date: _	1-28-15
	Interior Telephone Mukluk Telephone		
Signed:	Ed Cushing, Division Manager City of Ketchikan, dba Ketchikan Public Utilities	Date: _	1-28-2015
Signed:	Wanda Tankersley, Chief Financial Officer  Matanuska Telephone Association	Date: _	1/28/15
Signed:	Mike Megli, Chief Executive Officer Nushagak Cooperative	Date: _	1-28-2015
Signed:	Doug Neal, ChiefExecutive Officer OTZ Telephone Cooperative	Date:	1/28/15
	James Perry, Gerieral Manager Summit Telephone Company, Inc.	Date:	1/28/15

Signed:	Crais Mollus t	Date: _	1/28/15
	Craig Mollerstuen, Vice President United Utilities, Inc., A GCI Company		,
	office offices, A dor company		
Signed:	Dn Cll	Date: _	1/28/15
	Donald Eller, General Manager		
	Yukon Telephone Company, Inc.		





